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**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers**

**FROM: Amy Mendel-Clemens
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BHCE/BWP OPERATIONS MEMO

No: 04-12

DATE: 03/18/2004

FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	SC	<input type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input type="checkbox"/>	W-2	<input checked="" type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	WtW	<input type="checkbox"/>		
Other	EP	<input type="checkbox"/>			

PRIORITY: HIGH

SUBJECT: W-2 Extensions Based on Local Labor Market Conditions

CROSS REFERENCE: None

EFFECTIVE DATE: Immediately

PURPOSE

This memo clarifies DWD policy with respect to W-2 extension decisions based on local labor market conditions.

BACKGROUND

Under state law, a W-2 agency may extend time limits for some W-2 participants on a case-by-case basis if that agency determines that a participant's appropriate efforts to find unsubsidized employment have been unsuccessful because local labor market conditions preclude such employment for that participant. State law leaves to the W-2 agency and to the Department the responsibility for determining whether or not this is the case for any particular participant.

In response to concerns that the local labor market criterion was poorly defined and subject to arbitrary application, the Department has clarified the rules for using that criterion as a basis for extension decisions.

With respect to the use of that criterion, this Operations Memo:

- describes the individualized information agencies may use to support extension approvals and must provide to justify extension denials, and
- defines how aggregate labor market data may factor into extension approvals (and clarifies that such data may not be a factor in extension denials).

POLICY

Agency decisions to invoke local labor market conditions as a reason for approving or denying extension requests should be based on information about how those conditions affect the participant in question. Any Departmental review of extension decisions will be based on whether the information provided in support of the extension decision, and of the use of the local labor market reason, is appropriate for that decision, as described below.

EXTENSION APPROVALS

A W-2 agency may grant an extension based on local labor market conditions whenever the client has made appropriate job search efforts and has been unable to find unsubsidized employment, and the agency can demonstrate or document any one of the following circumstances:

- As supported by specific examples, the inability of other W-2 participants with similar skills, or engaged in job searches in similar geographic and occupational areas, to find unsubsidized jobs;
- As supported by specific examples, the loss, due to employer closures or cutbacks, of sites on which the agency has historically relied to place W-2 participants in unsubsidized employment;
- As supported by published labor market data or by specific examples of closures or cutbacks, a local downturn or continuing unavailability of jobs in the labor market sectors matching client skills; or
- As supported by published labor market data or by specific examples of closures or cutbacks, a local downturn or continuing unavailability of jobs in the labor market within reasonable client travel time (no more than 60 minutes travel time one-way, using available transportation, from the client's home to the employer, including travel time related to any necessary child care).

This documentation need not be extensive, but should reflect an effort to connect the inability of a particular participant to find a job with a specific feature of the local labor market. This documentation may include or refer (but is not limited) to such material as: case histories of other comparable clients (with any personally identifiable information removed), press coverage regarding the local job market or local business conditions, agency correspondence with historical or potential placement sites, current labor market data obtained from public or private sources, or products of current locally relevant labor market studies or research.

W-2 agency extension decisions based on local labor market conditions may be subject to Departmental review by DWS regional office staff. However, W-2 agency extension approvals will not be subject to further review if the number of continuing unemployment claims for either the county or the region (whichever is higher) is more than 150% of the historical monthly

average of such claims for that same county or region for the three-year period from January 1997 through December 1999. The Department will provide agencies and regional offices with the data necessary to make this determination.

EXTENSION DENIALS

Extension denials based on local labor market conditions (i.e. use of the denial reason “local labor market does not preclude”) must be accompanied by all three of the following types of information:

1. Specification of the skills and aptitudes the client has to offer the local labor market, and of the geographic and occupational areas in which the agency believes the client to be employable.
2. Documentation of at least two specific job opportunities compatible with the client's skills, aptitudes, and personal circumstances, for which the client has refused or failed to apply.
3. Descriptions of the client's means of access to the identified job opportunities, showing that each opportunity is no more than 60 minutes travel time one-way, using available transportation, from the client's home to the employer (including travel time related to any necessary child care).

DWS Regional Office staff will continue to review extension denials, except for extensions denied because the participant has found full-time, permanent employment. If it is determined that that documentation is inadequate or that an agency has incorrectly made an extension decision, the extension decision may be reversed by the Department under the authority given in Wis. Stats. 49.147(3)(c), (4)(b) and (5)(b)2. In addition, the Department may take any and all action outlined in of the 2004 - 2005 Wisconsin Works (W-2) and Related Programs Contract, Sections 17 and 18.

Under no circumstances may aggregate economic data, such as a determination that county or regional continuous unemployment claims fall below the 150% threshold precluding review of approvals, be used in support of extension denials.

CONTACTS

BHCE CARES Information & Problem Resolution Center

★Program Categories – FS – Food Stamps, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WtW – Welfare to Work, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DWD/DWS/BWP/FB